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*Attorneys for Defendant  
McDonald's Corporation*

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

KYTCH, INC.,  
  
Plaintiff,  
  
v.  
  
MCDONALD'S CORPORATION,  
  
Defendant.

Case No. 23-cv-01998-TSH

**JOINT STATUS REPORT FOR  
NOVEMBER 27, 2024**

Dept: Courtroom E, 15th Floor  
Judge: Honorable Thomas S. Hixson

1 Plaintiff Kytch, Inc. and Defendant McDonald's Corporation respectfully submit the joint  
2 following status report:

3 The global settlement that the parties have been negotiating includes the resolution of this  
4 matter ("Matter") and the matter of Kytch v. Gamble, et al., Case No. RG210099155, which is  
5 pending before Judge Michael M. Markman in the Superior Court of Alameda County ("Alameda  
6 Action"). The Alameda Action involves claims against affiliated parties to the allegations at issue  
7 in the instant case, including the manufacturer and distributor of equipment for certain of  
8 McDonald's restaurants, and an owner-operator of McDonald's restaurants who also served as a  
9 senior leader in the National Supply Leadership Council, which is an organization made up of  
10 McDonald's franchisees.

11 **Kytch's Position:** After many rounds of negotiations it is apparent that there are  
12 significant outstanding issues between the parties. The Judge in the Alameda Action has proposed  
13 assigning a settlement judge to address the outstanding issues. There is no barrier to McDonald's  
14 participating in this court-run mediation as the parties in the Alameda Action can contractually  
15 agree to allow McDonald's to participate without McDonald's waiving any of its rights, for  
16 example, regarding venue. The parties previously were using the services of a private mediator at  
17 the time the case was stayed. Based on the nature of the issues that remain outstanding Plaintiff  
18 does not believe that returning to the private mediator that was working with the parties would  
19 fruitful. McDonald's has refused to allow Kytch to explain its reasoning for this belief, claiming it  
20 would violate the "confidential settlement privilege." McDonald's suggestion that there has been  
21 a change in position caused by the withdrawal of counsel for Kytch has no connection to reality.  
22 Undersigned counsel has been on this case since its beginning. Because of the nature of the  
23 demands that have been made by McDonald's during the negotiation process, Kytch's owners  
24 hired separate settlement counsel to work alongside Kytch counsel to try to bridge the impasse  
25 that exists. This settlement attorney has been working in good faith on this matter since May  
26 2024. The gap is not closing. The long process of negotiation is because Kytch has tried  
27 everything in its power to convince McDonald's to come to a middle ground on critical issues.

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**McDonald's Position:** McDonald's has continued to negotiate in good faith to try to bridge the gap on the handful of outstanding terms at-issue. There has been a change in counsel for Kytch as the Meier Watkins firm has withdrawn as counsel for Kytch and Meier Watkins was the counsel who attended the mediation and led the settlement negotiations. McDonald's has expeditiously provided comments to the prior settlement drafts and denies that it has been unreasonable in the negotiations. McDonald's does believe the assistance of a neutral would guide the parties in finalizing the agreement.

McDonald's requests that the Court order the parties to return to Judge Meisinger for a further mediation. McDonald's believes that it would be the most efficient use of resources considering Judge Meisinger presided over the prior mediation, knows the terms and conditions of the settlement agreement, and has previously consulted with the parties in the settlement process. McDonald's is committed to resolving this matter but it is not efficient for the parties to this Matter and the Alameda Action to have to start over with a settlement conference judge who does not know this case or the terms and conditions of the settlement agreement.

Dated: November 27, 2024

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: /s/ Catherine Y. Lui

CATHERINE Y. LUI  
Attorneys for Defendant  
McDonald's Corporation

Dated: November 27, 2024

IRELL & MANELLA

By: /s/ Jason Sheasby

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Kytch, Inc